parties to submit financial bids. They were asked to submit bids for setting up duty free shops not only in the additional area identified in the begining at the five international airports but also in new Terminal-2C at Mumbai, which was under construction. In June 1996, broad terms and conditions were finalised. In August 1996, financial bids were received. M/s Lion City Holding, Singapore bid highest for Terminal-2C while M/s Weitnaur Switzerland bid highest for additional area. All the bidders were asked to match with the highest offer in respect of the two segments. M/s Lion City Holding, who had been ranked higher in the technical presentation offered to hike their offer to match with M/s Weitnaur and were, therefore, asked to revalidate their Earnest Money Deposit (EMD). M/s Lion City did not revalidate their EMD and therefore their offer got invalidated. It was also decided to delink Terminal-2C at Mumbai as it was still under construction and also to consider the offer M/s Weitnaur.

While negotiating the contract terms with M/s Weitnaur, AAI noticed some legal infirmity in tender procedures *i.e.* the pre-qualification for tenders invited in 1995 were for consultant/ consolidators to assist AAI, whereas the final proposed award was for concessionaire. In May, 1998 AAI took a decision to reject the tender due to this legal infirmity. If the tenders had been awarded, it would have led to legal complication and court cases.

Educational Loans

*137. SHRI BRATIN SENGUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have recently softened the terms and conditions for granting educational loans to students joining higher/ technical /Professional courses in India and abroad by scheduled banks;

(b) if so, the details thereof;

(c) whether Government are aware that banks create a number of hurdles to discourage the loanees; and

(d) if so, the steps taken / contemplated to tide over this phenomenon?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) Yes, Sir. Government in consultation with Reserve Bank of India (RBI) and Indian Banks' Association has framed a Comprehensive Educational Loan Scheme to ensure that no deserving student in the country is deprived of higher education for want of finances. The new scheme will cover all type of courses in schools and colleges in India and abroad. The students may avail the loans from this academic session itself. The scheme envisages loans up to Rs. 7.5 lakh for studies in India and up to Rs. 15 lakh for studies abroad. For loans up to Rs. 4 lakh no collateral or margin is required and the interest rate is not to exceed the Prime Lending Rates (PLR). For loans above Rs. 4 lakh, the interest rate will not exceed PLR plus 1 percent. The loans are to be repaid over a period of 5 to 7 years with provisions of grace period of one year. The scheme has been circulated by RBI to all Scheduled Commercial Banks *vide* its circular dated 28.4.2001.

(c) and (d) As reported by RBI, after the announcement of the scheme letters were received from students/parents pertaining ta the non-receipt of instructions at branches of Banks. RBI has confirmed that Banks have now issued instructions to their branch level functionaries for implementation of the scheme in right earnest. Banks have also given publicity by way of advertisements in the Newspapers.

CARGO handling facilities at Chennai Airport

*138. PROF. M. SANKARALINGAM: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the amount of expenditure incurred by Government to renovate the various cargo units at airports during the last three years;

(b) whether Government have any plan to expand the cargo handling facilities at Chennai Airport; and

(c) if so, the details thereof?